

Heifer Project International:
Assessment of Matching Grant Impact
on the Organizational Development of HPI

A CASE STUDY
November 2000

Project No. 938-0158

This report was prepared for AMA Technologies, Inc. under contract number FAO-C-00-95-00036-00 with the Office of Private and Voluntary Cooperation, Bureau for Humanitarian Response, USAID.

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CASE STUDY HISTORY OF HEIFER PROJECT INTERNATIONAL

I. Introduction

Heifer Project International has utilized the USAID/PVC Matching Grant Program as a key strategy for its organizational development since the late 1970s. A series of five Matching Grants, funded by the United States Agency for International Development, have successfully supported the development of Heifer Project International's internal systems, technical support capacity, policy formulation and the quality, quantity and scope of field programs.

There is no doubt that AID/PVC funds provided HPI with timely and needed support over the years. This was particularly true during financially lean years for HPI in the late 1980s and early 1990s. Financial support is not the only benefit of these Matching Grants though. US government financing does provide a certain impetus or motivation for an organization like HPI to make a strong commitment to change/improvement and to then follow through on it. Successfully managing a US government grant provides HPI HQ and participating country offices with valuable administrative experience and greater credibility with AID and other donors.

The issue of attribution or ascribing who is responsible for a particular outcome is never a simple either/or, black or white determination. In the case of the AID-HPI relationship, there are a combination of factors that contribute to successful organizational development. While AID has little or no control over many of these factors, officials at HPI are clear that support from the US government has been instrumental in the "capacity building" of the organization. To HPI's credit, it has long history of solid programming on five continents, competent staff and a commitment to improving the product.

HPI has never depended on AID funding for a significant portion of its overall support. In fact, the Matching Grant has always been the single largest outside source of income or grant of any kind that HPI receives. The organization has a solid base of unrestricted income and is able to make strategic decisions about pursuing available money like the AID/PVC Matching Grant funds. HPI seeks AID funding because it is committed to develop its capacity as an organization not because it needs money for service delivery.

AID provided the financial support and the framework that have made it possible for HPI to develop its organizational capacity in Little Rock and in many of its field programs. HPI took the initiative and followed through on the commitment.

II. History of Matching Grants

There is scant information/documentation available on the first AID-HPI matching grant. According to Jerry Aaker, Director of Training at HPI, the first grant was for five years starting in the late 1970s . It supported the initiation of a project

evaluation system and was implemented in new country offices in the Philippines, Guatemala and Tanzania.

Matching Grant II (1985-88) represented the largest and most ambitious of the five grants. It involved eight HPI countries and had a total budget of \$3.6 million (AID-\$1.3 million; HPI-\$2.3 million). The grant supported livestock projects by providing animals, equipment, health care and training to project holders. A newsletter was established to exchange information with groups and individuals and a technical information service responded to thousands of requests. The project supported the development of community-based organizations in several countries and had a strong technical training component for project participants, HPI staff and counterparts. The grant supported the growth of HPI headquarters and the development and strengthening of country programs. The final evaluation was quite positive about the impact of the grant on the organization-both at HQ and in the field-and concluded with the following, “The accomplishments made possible by this Matching Grant will have lasting effects on rural farmers, communities and the HPI organization. HPI has now developed the professionalism, infrastructure and experience to become a major player in the small-scale livestock development field”.

Matching Grant III (1989-1992) was designed to strengthen HPI’s administrative reporting, develop additional training materials, institute an evaluation system and expand its field program. This was a less ambitious grant than its predecessor with a budget just under \$1 million (AID-\$250,000; HPI-\$618,000) and only three country offices participating-all of them in Africa-Kenya, Tanzania and Uganda.

There were some significant achievements that included:

- Added two new full-time positions: Directors of Training and Evaluation
- Put in place a uniform system of accountability and country program reviews which paved the way for the strategic planning process and a self evaluation system
- Produced two technical manuals-‘Looking Back and Looking Forward: A Participatory Approach to Evaluation’ and ‘Livestock for a Small Earth: The Role of Animals in a Just and Sustainable World’

The final evaluation concluded with, “HPI has increased its administrative reporting, training and evaluation capabilities, even though all of the systems have yet to be fully implemented”. The primary criticism was that HPI HQ did not provide enough guidance to the participating country offices, which meant that training and evaluation programs were developed independently using their own approaches and were less effective as a result.

Matching Grant IV (1994-97) was known as the ‘training grant’ with the purpose of strengthening HPI’s capacity to assist partner NGOs and grassroots organizations to promote sustainable development in two countries-Bolivia and Uganda and to help enhance HPI’s field offices and partner organizations through training of

trainers in participatory approaches as well as producing and testing a variety of training materials in the field.

The final evaluation stated that “As a result of the Matching Grant, HPI-Little Rock has been able to move its training and evaluation agenda forward significantly by developing, refining and institutionalizing tools and systems appropriate to each.” It goes on to make a number of recommendations for how HPI could face “strategic challenges concerning its overall mission and role”.

Matching Grant V (1997-2000) will conclude in March 2000 and recently received a mixed review in the final evaluation. This grant is known as the ‘Cornerstones Grant’ because it was designed to strengthen the organization and its ability to deliver services to the field through the implementation of an internally designed system for values based planning and management. In addition, the grant focused on strengthening HPI’s gender initiatives and measuring program impact.

While the results of the final evaluation were mixed due to different approaches in the participating countries (Bolivia, Zimbabwe and Indonesia), the report concluded that “the Cornerstones Model Grant has been instrumental in operationalizing values based planning and management. The CM Grant has moved HPI farther along in impact measurement of field programs, in organization-wide acceptance of gender as a fundamental program issue and in further developing a participatory training capacity”.

III. Matching Grant Impact on HPI

Since the AID-HPI Matching Grants commenced in the late 1970s, HPI has grown considerably as an organization. In 1980, the total budget was approximately \$3 million and there were 16 country offices between the US, Africa, Asia and Latin America. By 1990, the total budget had increased to \$8.5 million and HPI had a significant presence in 21 countries. As of this year, the organizational budget is approximately \$28 million with offices in 31 countries and program support going to another 15 countries. This steady growth is all the more impressive because again it is largely supported with unrestricted income that affords the organization a greater degree of independence and flexibility.

The five Matching Grants have each undergone a thorough evaluation. The purpose of this case study is to assess the collective impact of these Matching Grants on the organizational development of HPI. This can only be done by assessing the present organizational capacity and the HPI commitment to the future. The following examples represent HPI “capacity building” supported by the Matching Grants.

Technical Capacity

One of the most important developments for HPI in its capacity building process has been the establishment of the Organizational Development Department (ODD). ODD currently encompasses technical staff in planning, evaluation, training, international fundraising, grant writing and gender services. In the future, all new

technical staff will work under the ODD umbrella. The department was created because of the continuing demand from throughout the organization, particularly the field offices, for technical support in a variety of areas particularly evaluation and gender. ODD is also responsible for moving ahead a major organizational initiative-the affiliate policy.*

ODD currently consists of an overall director and directors in planning and evaluation (2 deputies-program and finance/fundraising), training, gender, grants writing, international fundraising and program development with appropriate support staff backup. ODD was created to consolidate a number of different technical areas that had developed at HPI HQ over the years. AID Matching Grant funds were instrumental in helping create and finance all or part of these key positions including planning and evaluation, training and the gender coordinator. The positions are now institutionalized and will soon be fully financed by HPI. The result is that HPI can more effectively provide technical support services to country offices in order to strengthen their capacity and to make them increasingly more independent.

Training

Training has been a central part of HPI organizational development activities throughout the various Matching Grant periods. Matching Grant IV was called the 'Training Grant' and was designed to institutionalize the participatory approach to all social and technical training. The Cornerstones Model manual was developed during this grant period and it now serves as the primary reference for all HQ and country offices engaged in CM related training. In addition, a comprehensive training manual was developed with partial funding from MG IV. The book, "Learning Together: The Agricultural Worker's Participatory Sourcebook" was published in 1998.

Matching Grant V conducted numerous training of trainers and country specific training in gender, the Cornerstones Model and impact measurement. The HPI goal of training in the Cornerstones Model for country office staff in every country in the world, where HPI works, will soon be achieved. The grant also paid for full-time trainers for HP Bolivia, Zimbabwe and Indonesia that will become permanent positions. As mentioned too, there is a Training Director at HQ in the Organizational Development Department.

The final evaluation for MG V did compliment HPI for its successful training efforts at all levels but it did point out that a "system to monitor the adequate transfer of skills and subsequent training quality and impact of training at the

*The HPI Affiliate Policy envisions a group of nationally registered Heifer Projects subscribing to a common mission and means of operation. The Heifer Projects would be legally independent and raising significant amounts of their own funding but affiliated together into an international interdependent network exchanging resources and mutual support.

community level” is needed. Again, it is clear that the Matching Grants have had a strong influence on the organizational capacity to train effectively. It is also clear that training has been a HPI priority and it has invested a great deal of its own time and resources into its development.

Values-Based Planning and Management

HPI has been developing and refining a values based planning and management system throughout the past decade that is commonly known as the ‘Cornerstones Model’. In 1992 with the support of Matching Grant III, HPI put in place a uniform system of accountability for all programs based on the 12 cornerstones. (Passing on the Gift, Accountability, Sharing and Caring, Sustainability and Self-reliance, Improved Animal Management, Nutrition and Income, Gender and Family Focus, Genuine Need and Justice, Improving the Environment, Full Participation, Training and Education and Spirituality)

This was an important step forward because it standardized a number of program procedures like project planning and approval, semi-annual monitoring reports and regular program and project evaluations. In 1996, with the support of Matching Grant IV, a practical manual was published entitled, “The Cornerstones Model: Values Based Planning and Management.” The just concluded Matching Grant V initiated the process of institutionalizing the use of the model through training HPI HQ staff, country office staff and partner organizations.

The values-based planning and management model is designed to incorporate the thinking of holistic management, appreciative enquiry and other approaches into a tool that can be used at all levels of the organization. The expectation is that participants in any program at any level begin the process by looking at their most important resource-the values they bring to the program. They then move to their next most important resource-their own situation and strengths. Only after looking internally at what they have, rather than at what they lack, does the process move on to visioning and planning from that vision.

After numerous implementations in projects and programs throughout the organization, it is evident that people are motivated by identifying values like cooperation, honesty and accountability. When these values are added to a list of untapped physical and human resources (unused land, skills etc...) which are identified during the situation analysis, these groups begin to take responsibility for their own development. Instead of basing their plans around the availability external resources, they understand that these resources are one of many sources of support for their own program based on the common vision of the group. The Cornerstone Model is an empowering process that instills confidence instead of victimizing people for being poor and reinforcing their negative lot in life.

Institutional understanding and acceptance of the system was accelerated as a result of Matching Grant V. Another valuable contribution of the Matching Grant was the financial support of regional and in-country training events in the use of the system. Further, the three participating countries (Bolivia, Zimbabwe, Indonesia) hired training directors with grant funds and they will soon become regular staff with HPI

financing. The MG V evaluation pointed out some of the issues that HPI HQ needs to address to effectively guide country offices like a set of minimum standards for the use of the Cornerstones Model and how to link the organization's livestock focus to emerging community development issues.

The Cornerstones Model has had and will continue to have a dramatic impact on the HPI's organizational development and has served to shift the program focus from animals to people. An important part of this shift is understanding and beginning to address the myriad community development issues that effect rural families and are related to livestock development.

Gender & Policy Development

HPI began promoting the role of women in development in the late 1980s and established the Women in Livestock Development (WILD) program in 1992. Early efforts focused exclusively on women and often blamed men for the status of women instead of taking a more inclusive gender approach. In 1993 a part-time position was created to support WILD and in 1996 the focus changed to the Gender Program which included men in a broader family approach to gender. It is worth noting too that HPI was well ahead of other NGOs in making gender an organizational priority particularly organizations without a traditional program focus on women.

Matching Grants IV and V addressed gender issues and helped influence organizational policy because of the high profile that gender was given. MG V funded 75% of the Gender Coordinator position for the last three years and HPI is committed to continue the position with 100% support. MG V provided participating countries with resources to conduct gender training with staff, partner organizations and in communities. The final evaluation of MG V confirmed significant progress at the country office level in terms of recognizing and respecting the roles of all family members and in the process transforming the role of women through training, participation in decision making and ownership of assets. MG V also helped support regional workshops and trainings on gender issues in Latin America, Asia and Africa.

HPI adopted a Gender Equity Policy in 1998. The impact of this organizational commitment is widespread and includes:

- gender training for HQ staff and some board members
- all new employees must participate in a Gender Workshop early in their employment
- a Gender Audit of the entire organization is being carried out in conjunction with InterAction
- the Gender Coordinator sits on the Accountability Committee which is reviewing the HPI system for planning, monitoring and evaluation

-HPI is committed to a diverse workforce and this is reflected in recent hiring

Gender is a good example of a cross-cutting issue that was identified by HPI as a priority because it effects everything the organization does and stands for. AID has a long standing commitment to gender and made it possible for HPI to more fully address the issue through the previous two Matching Grants.

Measuring Impact

All five of the AID-HPI Matching Grants have addressed the issue of evaluation and measuring impact to greater or lesser degrees. This is an issue that every organization has struggled with for years with little success. HPI made a commitment to an evaluation director through Matching Grant III and has been working on developing impact indicators and simple, easy to use evaluation systems for field use. Matching Grant V placed a primary emphasis on measuring the impact of HPI's project activities with the help of Bradley University. While the results were not what HPI had hoped for, the fact is that three country programs have three years worth of valuable data that is just now being analyzed. One of the three participating country offices, Bolivia, managed the data collection and analysis process for three years and now has a plan for building this into all future projects. HP Bolivia has been coordinating with country offices in Ecuador and Peru to develop a similar impact measurement process.

There is clearly no magic bullet for measuring impact. Matching Grant V did contribute to greater institutional awareness about the importance and value of measuring impact. HPI is committed to funding five positions in the Organizational Development Department that will have direct responsibility for evaluation activities. In addition, the area programs are planning to recruit regional evaluation staff who will be based in the field and will work directly with country office programs with support from ODD. The final evaluation for Matching Grant V did recommend that HPI develop an evaluation strategy that addresses what impact means to the organization and to develop a simple set of impact measurement indicators.

Impact on Other NGOs

NGOs are often criticized for working in vacuums and not sharing their successes with colleague organizations. HPI has demonstrated over and over again that one of its organizational strengths is to collaborate with colleague and partner organizations. This has been the case with the development of the Cornerstones Model, values based planning and management, and HPI's willingness to share it with other organizations.

In the last two years alone, HPI has conducted training in the use of the Cornerstones Model with the following organizations:

-United Methodist Committee on Relief-Armenia

- Latter Day Saints Charities-Salt Lake City
- International Goat Association-Little Rock
- BOTHAR, Irish NGO-Ireland
- World Concern-Seattle, Bolivia, Nepal, Mongolia

The Cornerstones Model has proven to be a successful system for HPI that is being improved upon as the organization continues to evolve. It is a well documented tool and the manual is available in several languages. It has been practically applied at all levels of the organization from community based groups to HPI HQ. Other NGOs have benefited from it as well. Again, HPI created the Cornerstones Model but AID Matching Grants have helped develop and refine it. Further, Matching Grants have given the CM a higher profile both within the organization and with colleague organizations.

IV. Conclusion

HPI in the year 2000 is poised to have an even greater impact in the countries where it works. The organization has unique and successful approaches to development and has effectively utilized AID/PVC Matching Grant support to develop its institutional capacity in a number of key areas. It is noteworthy too that HPI has proven to be an organization that is willing to take risks and embrace change while acknowledging shortcomings. The United States Agency for International Development and Heifer Project International should be proud of the successful Matching Grant relationship it has maintained over the last 20 years.